LEGISLATIVE SERVICES AGENCY OFFICE OF FISCAL AND MANAGEMENT ANALYSIS

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FISCAL IMPACT STATEMENT

LS 6753 NOTE PREPARED: Dec 30, 2009

BILL NUMBER: SB 275 BILL AMENDED:

SUBJECT: Court Reporter Licensing.

FIRST AUTHOR: Sen. Taylor BILL STATUS: As Introduced

FIRST SPONSOR:

FUNDS AFFECTED: X GENERAL IMPACT: State & Local

 $\overline{\underline{X}}$ DEDICATED FEDERAL

<u>Summary of Legislation:</u> The bill establishes the Court Reporter Board (CRB). The bill sets qualifications for a licensed court reporter. The bill requires the CRB to develop procedures for licensing court reporters.

Effective Date: July 1, 2010.

<u>Explanation of State Expenditures:</u> <u>Summary-</u> The Professional Licensing Agency (PLA) would staff the meetings of the proposed CRB and process the licensing of court reporters. The bill does not provide an appropriation to cover the expenses of setting up and overseeing a new professional board. Therefore, the PLA would have to establish the CRB within existing resources.

<u>Background-</u> The PLA was appropriated \$5.54 M for FY 2010 by the General Assembly from the state General Fund. As of December 21, 2009, the PLA had three budgeted positions vacant with salary worth \$65,312.

Explanation of State Revenues: Licensure of Court Reporters- The CRB would be responsible for establishing fees for the proposed license. There were approximately 710 court reporters in Indiana as of May 2008. [As an example, if all reporters elected to become licensed at a fee of \$70 (same as auctioneers), state revenues would increase by approximately \$49,700.] State law requires all professional boards and committees to "break even" or to bring in revenue from fees to equate to the board's expenses. Therefore, the actual fee set by the CRB would depend on CRB expenditures and the number of persons actually applying for a court reporter license. Revenue from the proposed license would be deposited into the state General Fund.

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Penalty Provision- A person knowingly engaged in court reporting without a license would commit a Class B misdemeanor. If additional court cases occur and fines are collected, revenue to both the Common School Fund and the state General Fund would increase. The maximum fine for a Class B misdemeanor is \$1,000. Criminal fines are deposited in the Common School Fund.

If the case is filed in a circuit, superior, or county court, 70% of the \$120 court fee that is assessed and collected when a guilty verdict is entered would be deposited in the state General Fund. If the case is filed in a city or town court, 55% of the fee would be deposited in the state General Fund. In addition, some or all of the document storage fee (\$2), automated record keeping fee (\$7), judicial salaries fee (\$18), public defense administration fee (\$3), court administration fee (\$5), judicial insurance adjustment fee (\$1), and the DNA sample processing fee (\$1) are deposited into the state General Fund.

Explanation of Local Expenditures: *Penalty Provision*- A Class B misdemeanor is punishable by up to 180 days in jail. The average daily cost to incarcerate a prisoner in a county jail is approximately \$44.

Explanation of Local Revenues: Penalty Provision- If additional court actions occur and a guilty verdict is entered, local governments would receive revenue from the following sources: The county general fund would receive 27% of the \$120 court fee that is assessed in a court of record. Cities and towns maintaining a law enforcement agency that prosecutes at least 50% of its ordinance violations in a court of record may receive 3% of court fees. If the case is filed in a city or town court, 20% of the court fee would be deposited in the county general fund and 25% would be deposited in the city or town general fund. In addition, several additional fees may be collected at the discretion of the judge and depending upon the particular type of criminal case.

State Agencies Affected: PLA.

Local Agencies Affected: Trial courts, local law enforcement agencies.

Information Sources: U.S. Bureau of Labor Statistics: OES May 2008; State staffing report, 12/21/2009.

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